

United States District Court

MIDDLE

DISTRICT OF

ALABAMA

In the matter of the Search of
(Name, address or brief description of person, property or
premises to be searched)

**KTS Financial Services, LLC D.B.A. All for One
Tax Services
2812 Main Street
Millbrook, AL 36054**

APPLICATION AND AFFIDAVIT FOR SEARCH WARRANT

CASE NUMBER

2:08mj-9-5 Rb

I Lisa C. Fontanette being duly sworn depose and say:

I am a(n) Special Agent, Criminal Investigation, Internal Revenue Service and have reason to believe
that ☐ on the person of or ☒ on the property or premises known as (name, description and/or location)

See Attachment A

in the Middle District of Alabama

there is now concealed a certain person or property, namely (describe the person or property to be seized)

See Attachment B

which is (state one or more bases for search set forth under Rule 41(b) of the Federal Rules of Criminal Procedure)

**Evidence of a crime, contraband, fruits of a crime, or other items illegally possessed, and property designed
for use, intended for use, or used in committing a crime**

concerning a violation of Title 18, United States Code, Sections 286 and 287, Title 26, United States Code, Section
7206(2).

The facts to support the issuance of a Search Warrant are as follows:

See Attachment C

Continued on the attached sheet and made a part hereof: ☒ Yes ☐ No

Sworn to before me and subscribed in my presence,

2/5/08 at
Date

SUSAN RUSS WALKER, U.S. Magistrate Judge
Name & Title of Judicial Officer

Lisa C. Fontanette
Signature of Affiant

Montgomery, Alabama
City and State

[Signature]
Signature of Judicial Officer

Attachment A

LOCATION TO BE SEARCHED

The location to be searched is KTS FINANCIAL SERVICES, LLC D.B.A. ALL FOR ONE TAX SERVICES located at 2812 Main Street, Millbrook, AL 36054. This premise is more specifically described as one-story commercial building with a green metal roof housing multiple businesses. If facing the complex, KTS FINANCIAL SERVICES is located in the unit third from the left of the building. There is a sign hanging over the business reading "KTS FINANCIAL SERVICES, LLC". The number "2812" is printed on the glass above the door to KTS FINANCIAL SERVICES, LLC. The business name, "KTS FINANCIAL SERVICES, LLC" is printed on the glass door.

ATTACHMENT B
ITEMS TO BE SEIZED

The property and records to be searched and seized are relative to the tax years 2006 and 2007. The specific property to be seized is further described in the following paragraphs:

1. All files, lists, names and Social Security numbers of individuals or other data reflecting identity information for employees, employers, customers, dependents, or business associates involved with KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE, to include computer programs, software and the contents therein, storage disk and devices.
2. Documents and records related to the preparation of W-2 forms to include completed and blank form W-2s, social security cards, birth certificates, driver's licenses, identification cards, and address information for the 2006 and 2007 tax years.
3. Instruments that can be used to produce W-2s to include all word processors, computers, printers, facsimile machines, ink cartridges, cassettes, or ribbons pertaining thereto.
4. All IRS forms and related information documents.
5. Originals and copies of Federal Income Tax Returns (Forms 1040, 1040EZ, 1040A, tax period 2006 and 2007), state income tax returns, together with all forms, schedules, and attachments thereof, including but not limited to Form 8863 (Education Credits), Forms W-2 (Wage and Tax Statement), Forms 1099, Forms Earned Income Credit (EIC), tax return preparation work papers, completed tax returns, drafts of tax returns, or any other documentation relating to the preparation of income tax records and returns relating to the 2006 and 2007 tax periods.

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6. Papers, documentation, and statements concerning Accelerated Check Refund (ACR), Refund Anticipation Loan (RAL), or Assisted Direct Deposit (ADD) for the 2006 and 2007 tax periods.
7. All Refund Anticipation Loan checks, prepaid credit cards, or copies of same.
8. All information to, from, or pertaining to any Refund Anticipation Loan financial institution.
9. Any other documents or records that show the identity, address, social security number, phone number or any other personal and/or financial data concerning any and all employees, customers or clients for or by whom the 2006 and 2007 tax returns were prepared or concerning persons being claimed as dependents on their 2006 or 2007 tax returns, any other individuals working out of the premises to be searched.
10. Any documentation including degrees, certificates, and honorary credentials indicating training and education received by KESHIA BRAYBOY and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE, or any other individuals working out of the premises to be searched.
11. Books, pamphlets or any other literature related to income tax laws or accounting services or any other documents that may indicate knowledge of the U.S. Tax Code by any persons working out of the premises to be searched.
12. Any and all materials, papers and correspondence related to tax preparation work or seminars attended.

ATTACHMENT B
ITEMS TO BE SEIZED

13. All correspondence relating to the preparation of tax returns for the 2006 and 2007 tax years, including correspondence with the Internal Revenue Service relating to tax returns and tax inquiries.
14. All corporate bookkeeping records and other financial records including trial balances, General ledgers, General journals, subsidiary ledgers and journals, disbursement records and/or Journals, Accounts Payable Ledgers and records, Payroll records, Loan Receivables and Payable ledgers and cash disbursement journals for the following entity: KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE
15. Typewriters, typewriter ribbons, faxes, e-mails, digital cameras and pictures relating to the preparation of 2006 and 2007 tax returns or any supporting forms or schedules.
16. All phone records and address books, or any other records/documents containing names, addresses, and/or phone numbers.
17. Any records or other documents, bank statements, bank deposit tickets, cancelled checks, check registers, letters of credit, loan records, reconciliations, and other records of receipts, dispositions, and disbursements of funds which may, in any way, be related to the generation of fee income, dispositions of such income, purchases of equipment and supplies, commissions, or other transactions involving the preparation of 2006 and 2007 tax returns and any related services.
18. Records of any payments made by officers, employees, or associates of KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE to any recruiters, employees, independent contractors, or associates concerning the preparation and/or presentation or transmission of 2006 and 2007 tax returns.

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19. Client files of KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE, correspondence, business cards, notes, and any other types of information related to clients and the preparation of their tax returns.
20. Client lists of KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE in any form, including lists of telephone numbers, addresses, and forms of identification such as driver's licenses, and social security numbers.
21. Financial records and bank records from January 1, 2006 through present pertaining to KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, and BRAYBOY TAX, or any other entity and or individual working out of the premises to be searched, including but not limited to any original records or duplicates thereof reflecting expenses paid for, including labor expenses, or payments made to KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE , as well as any original records or duplicates reflecting assets, liabilities, and/or levels of income pertaining to KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, and BRAYBOY TAX, or any other entity and/or individual working out of the premises to be searched.

ATTACHMENT B
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22. The above-described information that may be stored on computer storage media. This includes information stored on computer hard drives, diskettes, tapes, CD-ROM, or any other media capable of storing information in a form readable by a computer. This also includes all copies of the information described above that may be maintained as archive or backup copies.

The agents searching for such information are authorized to search any desktop, other "personal computer" or PC located on the premises and to copy all above-described information stored on such computer. The Computer Investigative Specialist will not disclose the content of any file not covered under the warrant to the investigators.

In the event that the agents cannot, for technical reasons, obtain access to any subject computer or cannot search for or copy information contained on that computer, the agents are then authorized to seize such computer and remove it to a laboratory setting for a sufficient period of time to obtain access to, search for, and recover the files and financial records described above. In addition, if the files and records described above cannot be read and understood without the software or programs that created those files or records, the agents are authorized to seize such software and any documentation and manuals that describe the software and give instruction on its installation and use.

ATTACHMENT C
AFFIDAVIT IN SUPPORT OF SEARCH WARRANT

1. I, Special Agent Lisa Fontanette, make this affidavit in support of an application for the issuance of a search warrant for the specific premises described more fully within.
2. There is probable cause to believe that there is now located on the premises described herein evidence and/or instrumentalities of criminal offenses against the United States as set forth herein and that such offenses either have been conducted by, or otherwise involve KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE.

BACKGROUND OF AFFIANT

3. I am a Special Agent employed with the Internal Revenue Service – Criminal Investigation Division (IRS-CID) in Birmingham, AL. I have been so employed for over sixteen years. I have participated in and conducted criminal investigations of crimes in violation of Title 18, United States Code, Section 287 (False Claims), 371 (Conspiracy), 1956 (Money Laundering), and 1957 (Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity). I have also participated in and conducted criminal investigations of crimes in violation of Title 26, United States Code, Section 7201 (Tax Evasion), 7203 (Failure to File), and 7206 (Fraudulent Returns). I have also participated in and conducted criminal investigations of crimes in violation of Title 31, United States Code, Section 5324 (Structuring).
4. During my career with the Internal Revenue Service – Criminal Investigation Division, I have participated in the preparation and execution of numerous arrest warrants, seizure warrants, and search warrants.

**OVERVIEW OF RELEVANT PROCEDURES FOR FILING INCOME TAX
RETURNS**

A. ELECTRONIC FILING OF INCOME TAX RETURNS

5. E-File is the automated electronic filing system created by the Internal Revenue Service (IRS). In order to electronically file federal income tax returns with the IRS, a return preparer must complete an application process to become an authorized electronic filer of income tax returns. The requesting party must complete and submit Form 8633, Application to Participate in the IRS E-File Program. Upon approval of the application, the requestor becomes an Electronic Return Originator (ERO) and is assigned an Electronic Filing Identification Number (EFIN), which the IRS uses to identify and monitor ERO activity.
6. The IRS also allows taxpayers the ability to file their federal income tax returns by using a personal computer, modem, and commercial tax software.
7. There are numerous software companies that offer federal and state tax preparation software. Most of these applications allow the end-user to prepare a tax return on their home or business computer and electronically transmit the tax return via the Internet by means of a computer and modem. After the software provider receives the information from the end-user, the software company typically acts as an ERO and electronically files the tax return with the IRS, thereby completing the electronic filing process. In order for the end-user to transmit the tax return to the software company over the Internet, the end-user must have an Internet Service Provider (ISP).
8. Some examples of ISP's include America Online (AOL), Comcast Cable, Bellsouth, Brighthouse, and Microsoft Network (MSN). These ISP's allow their customers the ability to access the Internet by means of a personal computer and modem. When an ISP customer logs onto the Internet, a unique number called an Internet Protocol (IP) address is assigned by the ISP to the particular internet session. The IP address remains the same as long as the customer does not end the Internet connection. If the customer terminates the Internet session, and logs on at a later time, a new IP address is assigned to the new connection.
9. Once logged onto the Internet and assigned an IP address, the customer can submit the tax return information to the ERO, which is frequently the software provider. Once the ERO accepts the tax return to transmit to the IRS, the IP address of the individual transmitting the tax return is captured by the ERO. The tax return is then electronically filed through the ERO to the IRS. The IRS subsequently receives the electronically filed tax return and the corresponding IP address that was used when the tax return information was sent to the ERO.

B. REFUND ANTICIPATION LOAN (RAL)

10. A Refund Anticipation Loan (RAL) is a loan in the amount of a taxpayer's anticipated tax refund amount from a third party lending bank. The three commonly used third party lending banks that issue RALs are HSBC Bank U.S.A. (HSBC), Santa Barbara Bank and Trust (SBBT) and Bank One. A taxpayer must electronically file their tax return in order to apply for a Refund Anticipation Loan.
11. When a taxpayer applies for a Refund Anticipation Loan at their local tax return preparer's office or ERO, they are given a Refund Anticipation Loan application. By signing the application, the taxpayer authorizes the IRS to direct deposit their actual refund into an account that is temporarily established in the name of the taxpayer at the third party bank for the purpose of receiving their refund amount. The bank processes the taxpayer's loan application in as little as 24 hours and if approved, sends authorization back to the tax preparer or ERO to print the taxpayer's RAL check.
12. When the IRS sends the taxpayer's actual refund to the third party bank, the Refund Anticipation Loan is paid off. All fees are deducted from the RAL check, so that the taxpayer does not incur any out-of-pocket expenses for tax preparation. If the taxpayer elects to receive a RAL check, all fees are listed on the stub of the loan check.

C. EARNED INCOME TAX CREDIT (EITC)

13. The Earned Income Tax Credit (EITC) sometimes called the Earned Income Credit (EIC), is a refundable federal income tax credit for low-income working individuals and families. Congress originally approved the tax credit legislation in 1975 in part to offset the burden of social security taxes and to provide an incentive to work. When the EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit.
14. To qualify, taxpayers must meet certain requirements and file a tax return, even if they did not earn enough money to be obligated to file a tax return. Mainly, taxpayers must have "earned income" and the taxpayer's Adjusted Gross Income (AGI) must fall below certain thresholds, depending on the taxpayer's filing status. The amount of EITC received depends on a number of factors including filing status and the number of qualifying children.
15. Illustration #1: AGI Thresholds per Filing Status Required for EITC (2007 Filing Season or 2006 Tax Year)

Filing Status		
Married Filing Jointly	All other Filing Statuses*	Qualifying Children
\$38,348	\$36,348	2 or more
\$34,001	\$32,001	1
\$14,120	\$12,120	0**

16. Illustration #2: AGI Thresholds per Filing Status Required for EITC (2008 Filing Season or 2007 Tax Year)

Married Filing Jointly	All other Filing Statuses*	Qualifying Children
\$39,783	\$37,783	2 or more
\$35,241	\$33,241	1
\$14,590	\$12,590	0**

17. *A taxpayer's filing status cannot be Married Filing Separately

18. ** If a taxpayer does not have any qualifying children, the taxpayer must be at least age 25 but under age 65.

19. Earned income includes all of the following types of income: Wages, salaries, tips, and other taxable employee pay, net earnings from self-employment, and gross income received as a statutory employee.

20. According to IRS Publication 596 **Earned Income Credit**, the maximum Earned Income Credit for 2006 was \$4,536. The maximum Earned Income Credit for 2007 was \$4,716. These maximum credits were given to individuals claiming two dependents with earned income ranging between \$11,300 and \$14,850 for the 2006 tax year and earned income ranging from \$11,750 and \$15,400 for the 2007 tax year. The maximum Earned Income Credit for the 2006 tax year and the 2007 tax year for the same range of income, but only claiming one dependent was \$2,747 for the 2006 tax year and \$2,853 for the 2007 tax year.

HOUSEHOLD HELP INCOME (HSH)

21. Household Help Income is income earned as a household employee. Forms W-2 are not required when an employer pays the employee less than \$1,500.

22. The Montgomery, AL area has been identified by the IRS as an area of high abuse when it comes to filing false claims. Over the last couple of years, multiple schemes have been identified in the Montgomery, AL area with similar characteristics, specifically adding additional income to the tax returns in the form of HSH income in order to maximize the Earned Income Credit.

ORIGIN OF INVESTIGATION

23. I am currently conducting an Internal Revenue Service (IRS) investigation of potential criminal tax violations by KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE, and others as yet unknown to the Affiant who are involved in the false claims scheme described herein. This investigation was initiated from information received by the Special Agents of the IRS in Birmingham, Alabama from the Atlanta Fraud Detection Center.
24. In June, 2007, IRS Special Agents in Birmingham, Alabama received a Questionable Refund Scheme Referral from the Atlanta Fraud Detection Center (FDC). Scheme Number 0720070036 identified 411 returns prepared by KESHIA BRAYBOY, SSN: [REDACTED], Preparer Taxpayer Identification Number (PTIN) P00-37-6025, d/b/a KTS FINANCIAL SERVICES, EIN: 56-2610089 for the 2006 tax year. Out of the 411 returns prepared, 113 were verified as fraudulent by the Atlanta FDC through contacts with legitimate employers. Returns were filed electronically through EFIN 632866 and requested RALS. Additional returns, not included in this scheme, are possibly suspect, but could not be verified as false Forms W-2. These returns showed moderate wages and withholding amounts on Forms W-2 but included additional income on the return in amounts that appear to be structured to maximize EITC. The occupations listed on these returns include barbers, hairstylists, typists, and laborers. Total refunds claimed for the 113 returns that have been verified as false are \$655,229. The scheme memorandum also noted that a dependent claimed on a return prepared by KESHIA BRAYBOY at KTS FINANCIAL SERVICES was stolen from EDS Financial. The 2006 return for Carol Bostwick, SSN: [REDACTED] claimed Codarius Williams, SSN: [REDACTED], as a dependent for 2006. Because the information came from the stolen identities at EDS, it is believed that this investigation may also be linked to other preparer investigations in the Montgomery, AL area, specifically Flash Tax.
25. On January 30, 2008, the Atlanta Fraud Detection Center sent a continuation scheme memorandum to the Birmingham IRS-Criminal

Investigation Office relative to Scheme Number 0720070036. To date, the 2008 scheme consists of 441 electronically filed returns. The refunds detected amounted to \$1,845,927. There were 437 returns claiming EITC totaling \$1,665,119. The vast majority of the returns claimed HSH income. There are multiple duplicate wage amounts with little or no withholding. All returns were electronically filed by BRAYBOY using EFIN 630523. It appears that BRAYBOY has two EIN'S, 51-0656082 and 56-2610089.

26. IRS records show that EFIN 632866 was issued on December 11, 2006, to KTS FINANCIAL SERVICES, LLC, EIN: 56-2610089. The primary contact listed on the EFIN application is KESHIA M. BRAYBOY. According to the E-File application, the physical address for EFIN 632866 is 162 Stoneybrook Road, Millbrook, AL 36054.
27. IRS records show that EFIN 630523 was issued on January 7, 2004, to KESHIA M. BRAYBOY, SSN: [REDACTED]. The business name on the EFIN Application is BRAYBOY TAX SERVICE. The primary contact listed on the EFIN application is KESHIA M. BRAYBOY. According to the E-File application, the physical address for EFIN 630523 is 162 Stoneybrook Road, Millbrook, AL 36054.
28. State of Alabama Secretary of State Articles of Incorporation records show KTS FINANCIAL SERVICES, LLC was formed on September 27, 2006. Members associated with KTS FINACIAL SERVICES, LLC are KESHIA M. BRAYBOY and Steven Brayboy. KESHIA M. BRAYBOY is listed as the incorporator. The nature of the business is listed as individual/business income tax services. The address associated with the business is 2812 Main Street, Millbrook, AL 36054.
29. Lease information obtained from East Main Street Properties LLC reflects that Steve & KESHIA BRAYBOY entered into a commercial lease agreement with East Main Street Properties LLC on July 11, 2006 for 2812 Main Street, Millbrook, AL. The lease was for a period of two years beginning on September 1, 2006, and expiring on August 31, 2008.

CORROBORATION OF INFORMATION

30. On August 30, 2007, I telephonically interviewed Jewel Hall regarding a 2006 tax return that had been prepared and filed in Hall's name by KESHIA BRAYBOY, PTIN P00376025, at KTS FINANCIAL SERVICES LLC in Millbrook, AL. Hall verified her social security number and stated that her current address was 7200 Woodchase Lane B, Marietta, GA

30067. Prior to this address, Hall resided at 3354 Willow Lane Drive, Montgomery, AL 36109. The address listed on the return filed by BRAYBOY was 87 Monroe Street, Montgomery, AL 36104. When Hall tried to file her 2006 return, she was told she could not file electronically because her social security number had already been used to file a return. During 2006, Hall was employed at Chili's restaurant, EDS Manpower, and Red Lobster. Hall believed she only earned about \$8,000 -\$9,000 during 2006. The Form W-2 attached to the return filed in Hall's name was from Capital Hill Healthcare Center with wages in the amount of \$20,015 and federal income tax withholding in the amount of \$8,695.

31. Based on the information filed by BRAYBOY and KTS FINANCIAL SERVICES, on January 20, 2007, a refund anticipation loan check was issued in the name of Jewel Hall, 87 Monroe Street, Montgomery, AL 36104 by HSBC Bank USA, N.A. The check was negotiated and deposited into the bank account of KTS FINANCIAL SERVICES LLC at Regions Bank. The driver's license number listed on the front of the check for identification purposes could not be found in the state database.
32. On October 3, 2007, I telephonically interviewed Carolyn Ehrenberger regarding a 2006 tax return that had been prepared and filed in Ehrenberger's name by KESHIA BRAYBOY, PTIN P00376025, at KTS FINANCIAL SERVICES LLC in Millbrook, AL. Ehrenberger verified her social security number and stated that her current address was 211 Station Square Boulevard, Landsdale, Pennsylvania 19446. Ehrenberger stated that she had never resided at 162 Main Street, Millbrook, AL as listed on the return filed in her name by BRAYBOY. Ehrenberger had never been employed by STS Filing in Montgomery, AL as a packer, and she did not earn the \$21,410 claimed on the Form W-2 attached to the return filed in her name. In fact, during 2006, Ehrenberger was employed at the University of Michigan and Merck & Company. Ehrenberger had never heard of KESHIA BRAYBOY or KTS FINANCIAL SERVICES nor did she have a return prepared by them. Ehrenberger did not receive the \$7,432 refund listed on the return.
33. Based on the information filed by BRAYBOY and KTS FINANCIAL SERVICES, a refund anticipation loan check was issued to Carolyn Ehrenberger, 162 Main Street, Millbrook, AL 36054, by HSBC Bank USA, N.A. on January 22, 2007. The check was negotiated and deposited into the bank account of KTS FINANCIAL SERVICES LLC at Regions Bank. The driver's license number listed on the front of the check for identification purposes could not be found in the state database.

34. On September 28, 2007, I spoke with KESHIA BRAYBOY about setting up a time to meet with her about returns she had filed for the 2006 year during the 2007 filing season. BRAYBOY scheduled the meeting for Thursday, October 4, 2007, at her office located at 2812 Main Street, Millbrook, AL. BRAYBOY stated that she was currently employed at a convenience store in Hayneville, AL.
35. On October 4, 2007, I interviewed KESHIA BRAYBOY at her residence, 162 Stoneybrook Road, Millbrook, AL. Prior to the interview, I read BRAYBOY her Fifth Amendment Non-Custodial Rights verbatim from IRS document 5661. BRAYBOY stated that she understood these rights and proceeded with the interview.
36. BRAYBOY stated that she owned one business known as KTS FINANCIAL SERVICES. KTS FINANCIAL SERVICES performs tax preparation work, check cashing services, and offers bill pay services for cellular phone services, such as, AT&T, T-Mobile, and Cingular.
37. BRAYBOY obtained a business license for KTS FINANCIAL SERVICES at the end of 2006 and opened her business on January 2, 2007.
38. BRAYBOY obtained the EFIN for KTS FINANCIAL SERVICES. She is listed as the preparer on the returns filed by KTS FINANCIAL SERVICES, but she also employed two other individuals to prepare taxes, Jamie Moseley and Michelle Heatley. BRAYBOY only had one password for the system and one Personal Identification Number (PIN). KTS FINANCIAL SERVICES used Drake Software for the 2006 tax year.
39. BRAYBOY stated that there were three computers at the business.
40. BRAYBOY was shown returns filed by KTS FINANCIAL SERVICES with checks cashed at KTS, specifically in the names of Jewel Hall and Carolyn Ehrenberger. The information listed on the return was reviewed with BRAYBOY. BRAYBOY offered no explanation as to why the returns contained false information nor could she explain how the checks were negotiated at her business by someone other than the name listed on the check.
41. I asked BRAYBOY if she had the computer from KTS and if we could image it, BRAYBOY stated that the computer obtained a virus and she gave it to her nephew to work on. I asked BRAYBOY if she would turn over her client files for 2006. BRAYBOY agreed to do this, and we followed her to the office of KTS FINANCIAL SERVICES LLC to pick up the records.

42. A review of the records obtained from BRAYBOY revealed 286 client files. BRAYBOY filed 411 returns for 2006. Of the 113 returns that the Atlanta FDC verified as fraudulent, only 10 of those files were included in the 286 files obtained from BRAYBOY.
43. On January 29, 2008, I spoke with Al Kelley, the Mayor of Millbrook. Kelley reported that he had been contacted on Friday, January 25, 2008, regarding the traffic congestion in front of KTS FINANCIAL SERVICES. Kelley further reported that there were a couple hundred people out in front of KTS FINANCIAL SERVICES on that Friday.
44. On January 29, 2008, I interviewed Kathy Kelley of Kelley's Accounting and Tax Service located at 3348 Main Street, Millbrook, AL. Kelley stated that on Friday, January 25, 2008, four or five people and on Saturday, January 26, 2008, three or four people came into her tax service looking for their checks. When Kelley could not find refund checks in their names, she asked if they had a tax return prepared at her place of business. She was told that they had signed up for a check at a grocery store in Hayneville, AL.
45. Kelley questioned one lady who came in looking for a check. She asked the lady if she had a tax return prepared. The lady told her no. The lady had taken her identification to a grocery store in Hayneville, AL and signed up on a list to receive a check. The lady wrote down her social security number (SSN). The lady was told that the information would be put into a computer later and that her check would come in later. She was told she had to pick up the check in Millbrook, AL. The lady told Kelley that last year she picked up her check in Montgomery, AL. Kelley asked the lady if she worked. The lady initially told her no, but then said she had done some babysitting. The lady told Kelley that she was expecting a refund in the amount of \$2,429. The lady showed Kelley a flyer that she had. The flyer advertised KTS FINANCIAL SERVICES, LLC D.B.A. ALL FOR ONE TAX SERVICES. The flyer listed the address and hours of operation for the tax service. The address listed was 2812 Main Street, Millbrook, AL 36054. The bottom of the flyer read, "2nd Location Hayneville Boxcar". Handwritten on the left side of the flyer was, "1 Dep. - \$2,429 Refund Check January 25, 2008, (334) 548-6195". The flyer also advertised an excellent referral bonus program and that portable service was available. Kelley provided me with the flyer she had obtained from the lady.
46. On January 30, 2008, Special Agents of the IRS drove by the Hayneville Boxcar in Hayneville, AL. One of the agents entered the building and noticed the same flyer as mentioned above taped to the inside of the entrance door to the business. The phone number listed on a sign in the front of the business was 548-6195.

THEORY OF FRAUDULENT TAX SCHEME

47. Based upon the information provided by the Atlanta Fraud Detection Center, the information gathered by IRS Special Agents, and my knowledge, experience, and training, there is probable cause to believe that KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE are engaged in a scheme involving the preparation and filing of false federal income tax returns claiming refunds with the IRS and that the specific items described in Attachment B to the Application For Search Warrant to which this affidavit is related are evidence of such scheme.

LOCATION OF THE EVIDENCE TO BE SEIZED

48. Based upon the information provided by the Atlanta Fraud Detection Center, the information gathered by IRS Special Agents, and my knowledge, experience, and training, there is probable cause to believe that the specific items described in Attachment B to the Application for Search Warrant to which this affidavit is related are located in the area specifically identified in Attachment A.

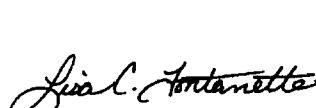
Computer Related Evidence

49. During the course of this investigation, I consulted with Special Agent Pamela S. McClain, a computer investigative specialist, regarding the seizing of computers. Agent McClain has been a Special Agent for over 13 years and has received advanced training at the Federal Law Enforcement Training Center in Brunswick, Georgia, as a Computer Investigative Specialist. She received advanced training in the execution of search warrants involving computers and related equipment, electronic data preservation, and the recovery, documentation and authentication of evidence.
50. Based on my knowledge, training and experience, and after having consulted with Special Agent McClain, I know that computer hardware, peripheral devices, software, documentation and passwords may be important to a criminal investigation in three distinct and important respects:

- a. the objects themselves may be instrumentalities used to commit the crime
- b. the objects may have been used to collect and store information about crimes (in the form of electronic data)
- c. the objects may be contraband or fruits of the crime

51. Rule 41 of the Federal Rules of Criminal Procedure permits the government to search and seize computer hardware, software, documentation, and passwords which are (1) instrumentalities, fruits, or evidence of crime, or (2) storage devices for information about a crime.
52. Based upon my consultation with Special Agent McClain, I know that searching and seizing information from computers often requires agents to seize most or all electronic storage devices to be imaged and searched later by a qualified computer specialist in a laboratory or other controlled environment. This requirement is due to the following:
53. Technical requirements: Images or backups of computer data need to be restored to a separate computer and verified to ensure that the files restore or copy properly. Additionally, evidence may be encrypted, password protected, or may be in a format that could result in evidence being overwritten and/or destroyed electronically should an attempt be made to examine the electronic evidence on site.
54. The volume and nature of electronic evidence: A seemingly small media storage device can store the equivalent of thousands of pages of information or more. It may be impractical to attempt data analysis on site.
55. Based upon the above, the probable cause presented herein and my experience and training, I believe that KESHIA BRAYBOY, KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES, BRAYBOY TAX SERVICE and the employees of KTS FINANCIAL SERVICES, LLC D.B.A ALL FOR ONE TAX SERVICES and BRAYBOY TAX SERVICE are engaged in conduct designed to fraudulently obtain federal income tax refunds from the IRS through the preparation of false 2006 U.S. Individual Income Tax Returns in violation of Title 18, United States Code, Sections 286 and 287, and Title 26, United States Code, Section 7206(2). I, therefore, respectfully request that a search warrant be issued against the premises located at 2812 Main Street, Millbrook, AL 36054, for the evidence specifically described in Attachment B to the Application For Search Warrant with which this affidavit is associated.

56. This is a continuing investigation, and the release of the facts contained in this Affidavit could jeopardize this investigation. Therefore, I respectfully request that this Court order this Affidavit be filed under seal.


Lisa C. Fontanette, Special Agent
Internal Revenue Service, Criminal Investigation Division

